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REVIEW OF THE EFFICIENCY OF THE
ADMINISTRATIVE AND FINANCING
FUNCTIONING OF THE UNITED NATIONS

Letter dated 25 April 1991 from the representatives of Denmark, Finland, Iceland, Norway and Sweden to the United Nations addressed to the Secretary-General

On behalf of the Governments of the five Nordic countries, Denmark, Finland, Iceland, Norway and Sweden, we have the honour to present herewith a joint Nordic discussion paper on Reform and restructuring of United Nations economic and social sector (see annex).

We should be grateful to have this letter and the attached text circulated as an official document of the General Assembly, under item 117.

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ANNEX

Reform and restructuring of United Nations economic and social sector: a tentative outline of key objectives and measures

(Discussion paper submitted by the Nordic countries)

1. Basic assumptions

1.1. In a world of increasing interdependence the United Nations has an evident role in dealing with a number of global challenges. There is an increasing need to strengthen the possibilities for the United Nations to meet these challenges. The efficiency and the effectiveness of the United Nations in the economic and social fields must be enhanced.

The need for reform has long been overdue. It is understood that the present global, political climate - "end of cold war" - presents a chance for genuine reform in order to strengthen the efficiency and effectiveness of the United Nations; i.e. a window of political opportunity.

1.2. It is assumed that the essence of reform concerns the degree of flexibility and adaptability of an organization to meet its tasks. In a rapidly changing world with growing political, economic and social problems, the crucial measuring unit of success, or failure, is ability to change and to focus on most urgent tasks. In this perspective reform is understood as an orderly process of institutional change and political priority setting.

1.3. An important assumption is cost neutrality, i.e. that the reform exercise does not aim at either cutting or expanding the total United Nations budget; any savings must be ploughed back into the system for priority projects. Moreover, a better functioning United Nations will have greater credibility with Governments, and therefore more easily attract additional funding.

2. Problems

2.1. Successive studies and previous reform exercises have consistently revealed two fundamental weaknesses or (relative) crises of the United Nations system, which are interlinked. One is external and could be called a crisis of relevance coupled with marginalization. The other one is internal and could be called a crisis of governance coupled with fragmentation. The growth of the United Nations agenda is one of the most problematic manifestations of these phenomena.

2.2. The problem of marginalization is a multiple problem. It implies a relative ignorance or lack of political attention from Member States. Only rarely is high-level participation from capitals attracted. Another aspect

concerns the relative inability to meet crucial and/or emerging, global issues. The crisis of relevance also implies decreasing importance in face of the increasing role of other institutions.

2.3. The problems of governance between the General Assembly, the Economic and Social Council, subsidiary bodies, the United Nations programmes and funds and specialized agencies and within each institution are apparent. The weak, and in many cases ineffective, system of governance also leads to increased fragmentation. There is at present too little real coordination, leading to duplication of work and impairing the capacity to respond to new challenges. The directives and guidelines emanating from the central organs are often vague and in need of a stronger sense of direction.

3. Objectives

3.1. If the United Nations system is to be relevant to the great problems of the future, both its approach and its internal organization and working methods relationships need re-examination. The broadly agreed, overall goal of the United Nations is to better meet present and emerging political, economic and social problems of a global and vital character in order to contribute to their solution.

3.2. The Declaration on International Economic Cooperation as well as the International Development Strategy for the Fourth United Nations Development Decade reflect in a many-faceted and comprehensive way the broad United Nations agenda in the economic and social field. To make the best use of limited resources of the United Nations the role of the Organization (both its normative and operational role) in the economic and social field must, however, be defined more precisely. We must concentrate on questions where the United Nations is best able to make a direct, tangible and practical contribution without downgrading the debating and monitoring role of the Organization.

In our view one of the most useful roles of the United Nations in the economic field lies within the area of human resources development. Education, health care, population, energy, refugee flows, natural disaster reduction and the fight against poverty are areas where the United Nations system should have particular qualifications. Another major concern for the United Nations must be to contribute to the protection of the environment and to promote sustainable development.

These broad substantive goals are summed up in terms of reform objectives, in General Assembly resolution 45/177, as follows:

> "... more effective and efficient functioning of the intergovernmental machinery of the United Nations system in the economic, social and related fields in order to be more responsive to the needs of enhancing international economic cooperation and promoting the development of the developing countries."

3.3. The objective of efficiency is best understood as a parameter of internal functioning, with key aspects such as:

- cost efficiency
- rationalization of work and procedures
- optimal steering and governance.

3.4. Effectiveness is mainly understood in terms of "external" performance and in relation to optimal fulfilment of tasks:

- ability to set, and redefine, priorities and to meet priority tasks optimally
- adaptability to changing challenges and environment
- responsiveness to political guidance.

3.5. These objectives can only be reached by ultimately involving the United Nations system as a whole in the reform exercise. The respective roles and tasks of different organizations and bodies must be better defined, so that they complement each others' efforts and form a coherent whole. Issues must be identified where the United Nations can make a specific contribution, and efforts be concentrated in these fields. The United Nations cannot and should not deal with all issues on the international agenda, but concentrate on areas where the world organization has a comparative advantage, above all on issues of interdependence calling for intensified international cooperation.

4. Reform programme

4.1. On the basis of the above, it is understood that different sets of decisions can usefully be taken at the resumed session:

A first set of decisions concerns the adoption of a number of concrete reform measures and arrangements for implementing and monitoring them. Such measures could particularly be related to the objective of efficiency and the rational functioning of the system.

A second set of decisions could consist of agreement on further reform objectives and an agenda and a programme to meet those objectives. The objectives to be set would cover both the efficiency and effectiveness aspects of the United Nations system, including the following:

- improved governance regarding both operational activities as well as the normative functioning of the United Nations
- system responsiveness to emerging issues with regard to "slowly ticking bombs" as well as emergencies

- priority setting

- improved global warning and information system.

4.2. The following reform measures and objectives are proposed in pursuance of the above perspective, with a view to agreeing to as many as possible in the meeting in April with a realistic time-frame for either implementation or further consideration:

General Assembly, including the Second and Third Committees

1. Replace, when appropriate, present system of resolutions with a chairman's summary (to be applied systematically within intergovernmental system).

2. Reconsider present sessional arrangemnts with a view to the possibility of instead calling meetings as needed.

3. Introduce more selective consideration of issues and a mechanism to remove items from the agenda once it is clear that they no longer serve a useful purpose.

4. Adjust and simplify agendas to form efficient division of labour with the Economic and Social Council.

5. Greater use of informal meetings with outstanding personalities and experts, possibly developing into a sort of "hearings".

Economic and Social Council

1. More effective division of labour with the Second and the Third Committees of the General Assembly. In specific cases the General Assembly may authorize the Economic and Social Council to take final decisions on reports from subsidiary bodies.

2. More cost-effective sessional arrangements should be sought, consolidation of sessions with alternate venues being a possibility to be further explored.

3. Format of general debate may be adjusted to better complement general debate in the General Assembly committees, possibly abolished, perhaps be better focused on specific themes.

One possibility would be to conduct a high-level thematic debate on one or more social or economic issues of major international importance, perhaps in a separate session.

The approach should be interdisciplinary; heads of agencies and other concerned bodies should participate actively, Member States should be represented.

The debate should be based on a single Secretariat document and lead to an agreed policy document.

4. More effective coordination of subsidiary bodies and specialized agencies.

Heads of agencies must be expected to submit in person to hearings in the Economic and Social Council. Frequent informal sessions would allow for a more open and efficient exchange of views.

An appropriate Council committee structure will also facilitate effective coordination.

The Economic and Social Council conclusions should aim at specific recommendations and guidelines in response to reports submitted for consideration.

If needed, special sessions of the Council could be called to consider specific operational issues.

In addition to considering specific coordination problems in connection with United Nations activities, the Economic and Social Council should allocate sufficient time to new and emerging issues, emergency situations and environment threats, and aim at formulating practical conclusions in terms of United Nations coordination.

5. The Economic and Social Council to concentrate on one or two major issues per year, on problems of such a magnitude that they are believed to threaten the world economy, the social structure or the global environment.

Subsidiary bodies

Reconsideration of present arrangement whereby frequently same United Nations delegates participate in all bodies dealing with same issues feeding few new ideas into the deliberative process. The Economic and Social Council is the principal organ for the general debates of a political nature and should therefore be the appropriate forum for policy discussions which are now being held in the subsidiary organs. Serious consideration should be given to how the mandate of the following bodies, many of whom are charged with very important responsibilities, could possibly be better carried out, either by expertization or by merging them with other bodies:

1. Committee on the Development and Utilization of New and Renewable Sources of Energy.

2. High-level Meeting on Technical Cooperation among Developing Countries.

3. Committee on Natural Resources.

4. Intergovernmental Committee on Science and Technology for Development.

Secretariat

1. It has been assumed by some that most of the possible reform objectives and measures should be left to be further addressed by the new Secretary-General in 1992. Others strongly hold that the vast experience accumulated by the present Secretary-General should prompt member nations to invite his views and proposals on Secretariat reform, before his departure. Whatever the outcome of this debate, there is at least a strong case for taking decisions on all direct implications of agreed restructuring changes for the organization of the Secretariat coming out of the resumed session in April.

2. The capacity of the Secretariat should be strengthened to identify emerging issues and potential problems. Closer links should be developed between political, economic and social units. Internal reforms of the Secretariat are called for to ensure that available resources are used in an efficient way. A fundamental objective during this exercise must be the establishment of a secretariat which is recognized as a forceful centre of authority in coordination and management functions and also as a centre of excellence in the normative field.

3. The crucial function of coordination within the United Nations Secretariat should be strengthened. Ideas and proposals presented by Urquhart and Childers in the publication A World in Need of Leadership: Tomorrow's United Nations merit serious study. Likewise, the capacity of system-wide governance by means of coordination, management by objectives, cooperation or otherwise, should be enhanced.

4. Greater restraint must be exercised by the member countries in requesting reports from the Secretariat. When at all possible, consolidation of reports should be attempted. The overall quality of reports should be improved, becoming more relevant for deliberations by focusing on policy options open to delegations through the United Nations system.

5. The United Nations system within the field of humanitarian relief and emergency operations are clearly not able to operate effectively. Respective mandates, organizational structures, leadership and the adequacy of funding must be fully considered.